Introduced by Senator Pavley

December 4, 2012

An act to add Article 10 (commencing with Section 66090) to Chapter 2 of Division 5 of Title 3 of the Education Code, relating to higher education.

LEGISLATIVE COUNSEL'S DIGEST

SB 35, as introduced, Pavley. Higher education: energy conservation. Existing law, until January 1, 2016, requires the State Energy Resources Conservation and Development Commission to enter into an agreement with the Regents of the University of California, the Board of Trustees of the California State University, and the Board of Governors of the California Community Colleges for the expenditure of the petroleum violation escrow funds to supplement other available funds to improve energy efficiency at the state-supported universities and colleges.

This bill would require the Board of Trustees of the California State University and the Board of Governors of the California Community Colleges, and would request the Regents of the University of California, to each develop and administer a Systemwide Energy Solutions Action Plan that provides a near- and long-term strategy for assessing, evaluating, contracting for, overseeing, auditing, measuring, and communicating publicly concerning energy savings projects, as defined. The bill would establish the Higher Education Energy Solutions Fund in the State Treasury and would require moneys in the fund, upon appropriation by the Legislature, be used for the development and implementation of the plans. The bill would require, before January 1, 2014, and January 1 of each year thereafter, each segment of public postsecondary education, if it receives moneys from the fund, to submit

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to the Legislature a report describing the disposition of the moneys received in the previous calendar year and the planned expenditures for the following calendar year.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. (a) The Legislature finds and declares all of the 2 following:

- (1) The California's public colleges and universities are decades old, inefficient, and in need of renovation, and as a result, a constant strain on the fiscal health of California's higher education system due to excessive energy-related expenditures.
- (A) Sixty percent of the buildings of the University of California are more than 30 years old, with many having been constructed in the 1950s and 1960s.
- (B) More than half of the existing facilities of the California State University are over 28 years old.
- (C) Seventy-four percent of the existing facilities of the California Community Colleges are over 25 years old and 60 percent are over 40 years old.
- (2) The University of California and the California State University systems account for approximately 5 percent of all commercial energy consumption in California, representing not only a significant cost to the state's public universities, but also a major greenhouse gas reduction opportunity.
- (3) The budgetary savings that could be achieved with significant near-term investments in energy efficiency and clean energy would provide long-term General Fund relief, reduce the need for tuition fee increases, and further enhance the ability of California's colleges and universities to provide quality, accessible, and affordable higher education.
- (4) The Regents of the University of California, the Board of Trustees of the California State University, and the Board of Governors of the California Community Colleges have already adopted energy, sustainability, and climate solutions policies that establish usable institutional frameworks and guidelines for implementing and administering greater investment in energy efficiency and clean energy.

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(5) It is in the public interest of the state to reduce energy consumption from colleges and universities, especially through building retrofits that achieve deep levels of energy efficiency improvement, including those called for in the Long-Term Efficiency Strategic Plan adopted by the Public Utilities Commission.

- (b) It is the intent of the Legislature to enhance access to, and the quality of, higher education in California, while also stimulating near-term job creation and reducing greenhouse gas emissions, by providing financial assistance to universities and colleges to invest in cost-reducing energy efficiency retrofits, clean energy installations, and other energy system improvements.
- SEC. 2. Article 10 (commencing with Section 66090) is added to Chapter 2 of Division 5 of Title 3 of the Education Code, to read:

Article 10. Systemwide Energy Solutions

66090. For the purposes of this article, "energy savings project" means a measure, program, activity, or expenditure that results in energy savings, greenhouse gas emissions reduction, and budgetary savings, through investments in clean energy, as defined in Section 26220 of the Public Resources Code.

- 66091. (a) The Board of Trustees of the California State University and the Board of Governors of the California Community Colleges shall, and the Regents of the University of California are requested to, each establish a special subcommittee, which shall each develop through a public process and administer a Systemwide Energy Solutions Action Plan that provides a near-and long-term strategy for assessing, evaluating, contracting for, overseeing, auditing, measuring, and communicating publicly concerning energy savings projects.
- (b) (1) Each special subcommittee shall include experts in energy efficiency, job creation, greenhouse gas management, and finance and accounting, and at least one student member.
- (2) In developing their plans, the subcommittees shall consult with the State Energy Resources Conservation and Development Commission and the Public Utilities Commission.

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(c) In developing their plans, the California State University and the California Community Colleges shall, and the University of California is requested to, consider all of the following:

- (1) A variety of project types, including those that result in quick energy cost savings that exceed the cost of the project within 48 months of the initial deployment of the project, and those that result in larger, longer term cost savings.
- (2) Strategies to complement and leverage existing institutional partnership programs being implemented by investor-owned utilities.
- (3) Opportunities to further the purposes of the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500) of the Health and Safety Code).
- (4) Opportunities to establish public-private partnerships in the development and implementation of the plan.
- (5) Relevant elements of the Long-Term Energy Efficiency Plan and the regulations adopted pursuant to Section 25943 of the Public Resources Code.
- (6) Opportunities to promote student involvement, job training, and workforce development in the development, design, deployment, evaluation, and measurement of energy savings projects.
- (d) Before January 1, 2014, and before January 1 of each year thereafter, the University of California, the California State University, and the California Community Colleges shall, if it receives funding from the Higher Education Energy Solutions Fund, submit to the Legislature, pursuant to Section 9795 of the Government Code, a report describing the disposition of funds received in the previous calendar year and the planned expenditures for the coming calendar year.
- 66092. The Higher Education Energy Solutions Fund is hereby established in the State Treasury. Upon appropriation by the Legislature, moneys in the fund shall be used by the Regents of the University of California, the Board of Trustees of the California State University, and the Board of Governors of the California Community Colleges to implement this article and the Systemwide Energy Solutions Action Plans.